

WFCA HEALTH CARE COMMITTEE MEETING MINUTES

The WFCA Health Care Committee held a regular meeting on Friday, July 12, 2019 at the state association office in Olympia, Washington.

PRESENT

Members: Chair Jack Hensley, Gene Carmody, Ken Eakin, Jim Farrell and Brad Langdell.

Guests: Sally Borte, Adam Frey and Kari Justad (Parker, Smith & Feek); Tina Vasen and Cindy Gibbons (TPSC); Vincent Lena (VSP); Kyle Kapusta, Tim Smerz and Deb Thomsen (CVS/Caremark).

Staff: Roger Ferris, Anne Marvin and Nora Eyllenfeldt.

CALL TO ORDER & INTRODUCTIONS

Chair Hensley called the meeting to order at 11:00 am and led the group in the Pledge of Allegiance. He dispensed with introductions.

APPROVAL OF MINUTES

Ken Eakin moved and it was seconded to approve minutes of the April 26, 2019 regular meeting.
Motion carried.

FINANCIAL REPORT

Roger Ferris reviewed first quarter finances stating the program is in good financial condition. He will meet with the bond broker next week; current interest rates through LGIP are as good as bond rates, so he will likely liquidate bonds.

JAMES R. LARSON FORUM BUILDING REPORT

Suite 101 remains vacant and the WFCA was notified by the Attorney General's Office that the Suite 102 tenant, Coalition for Crime Victim Advocates, lost its funding June 30. Mr. Ferris will discuss specifics with the AG's Office and representatives of the Coalition in the near future. The Board for Volunteer Firefighters wants to move from Suite 112 to 106, pending approval from the state. The building fund is financially stable and a commercial real estate agent is being hired to assist in leasing the property. Mr. Ferris has updated the three-year building maintenance and repair schedule.

CORRESPONDENCE

None.

VISION SERVICE PLAN (VSP) PRESENTATION

Vincent Lena made a presentation on the services offered by VSP, which are more comprehensive than current benefits at a lower price. Jim Farrell moved and it was seconded to recommend that the Board approve VSP as the vision plan effective January 1, 2020. **Motion carried.**

CVS/CAREMARK (PHARMACY BENEFIT MANAGER) PRESENTATION

Sally Borte presented information from MaxorPlus regarding a formulary change Maxor would make in order to offer rebates similar to CVS/Caremark. This would impact some members.

Discussion followed regarding the differences between CVS and Maxor and potential areas of savings.

The committee recessed for lunch at 12:15 pm; the committee reconvened at 12:37 pm.

Tim Smerz, Deb Thomsen and Kyle Kapusta gave a presentation on CVS/Caremark.

The committee recessed from 1:40-1:50 pm.

Jim Farrell moved and it was seconded to recommend that the Board approve Option 1 with CVS/Caremark as the Pharmacy Benefit Manager, effective January 1, 2020. He explained that this option would have the least impact/disruption on members as the formulary would remain the same. Sally Borte agreed, noting that the committee may want to revisit the formulary issue in one year. **Motion carried.**

MENTAL HEALTH PARITY ACT

Sally Borte stated that at the last meeting, discussion was held to increase the out-of-pocket maximum for out-of-network providers, as the self-funded plans are not subject to the Mental Health Parity Act. Tina Vasen presented past claims data; discussion followed. Jim Farrell moved and it was seconded to recommend to the Board increasing the out-of-pocket maximum to \$20,000 for out-of-network coverage for chemical dependency and mental health treatment; further, that the committee review data in one year to evaluate the effectiveness of this change. **Motion carried unanimously.**

EXPERIENCE REPORT

Adam Frey reviewed self-funded medical experience through the end of June, noting a loss ratio of 98.5% for all plans combined. There are 28 large claims (those over \$75,000). During the same period, the dental program ran at 95% of budget.

DISCUSSION & APPROVAL OF 2020 SELF-FUNDED PREMIUM RATES

Based on the experience to date, Adam Frey recommended a rate pass for the 2020 self-funded medical and dental plans. The committee requested demographics on the PPO-Plus, PPO-100 and PPO-300 Plans. Gene Carmody moved and it was seconded to recommend that the Board adopt a rate pass for the 2020 self-funded medical and dental plans. **Motion carried unanimously.**

DISCUSSION & APPROVAL OF INSURED PLANS

Gene Carmody moved and it was seconded to recommend that the Board adopt insured medical plan rates as follows:

- Rate pass for Kaiser of Washington;
- Seven percent premium increase for Kaiser of Oregon.

Motion carried unanimously.

It was noted that Standard Life and AD&D Insurance will be in the second year of a two-year contract.

FIREFIGHTER PHYSICALS DISCUSSION

In a follow-up from the last meeting, the committee discussed tests that may be reasonable to include in firefighter physicals, the financial impact, marketing value and whether or not the Plan should even cover them. Discussion followed. Anne Marvin stated that districts currently have

the option to submit claims for firefighter physicals; anything that “falls out” is billed back to the district. Gene Carmody plans to meet with Dr. Guy Earle to further discuss this issue and will report back to the committee.

HEALTH CARE MANAGER’S REPORT

Anne Marvin announced that registration information was distributed for the Fall Health Care Workshops; programs will be held in Olympia, Spokane and Tulalip. She has reached out to county associations and will be attending upcoming meetings to share information regarding the Program. The Health Care Program Facebook page is up and running, and Health Care Manager articles appear in the periodic *Hope Health* newsletter. In preparation for the annual audit, Ms. Marvin is finishing up data and templates to forward to Moss Adams.

Gene Carmody asked, “How do we measure the effectiveness of the *Hope Health* newsletter?” Anne Marvin responded that the newsletter is relatively expensive to produce; however, it is a touchpoint for all enrollees. Discussion followed regarding the possibility of adding an insert (perhaps to announce a new benefit enhancement) to an upcoming newsletter.

Gene Carmody stated he was at an association meeting where he discussed Teledoc; a person in the audience stated he used Teledoc and raved about it.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

ADJOURN

There being no further business, the meeting was adjourned at 3:05 pm.

Jack Hensley, Chair

Nora Eylenfeldt, Recording Secretary